## <u>REMARKS</u>

Applicants respectfully traverse and request reconsideration.

Applicants cancel claim 3 without prejudice.

Applicants wish to thank the Examiner for the notice that claim 2 would be allowable if rewritten in independent form and that claims 9-14 would be allowable if rewritten or amended to overcome rejections under 35 U.S.C. §112. Applicants have amended claims 9-14 to correct typographical errors, as such these claims are in condition for allowance.

Remaining claims 15-21 stand rejected under 35 U.S.C. §102(b) as being anticipated by Abadi et al. Applicants respectfully reassert the relevant remarks made in the last response. In addition, Applicants respectfully submit that amended claim 15 includes the requirement that a subordinate authority, in response to the inter trusted authority trust modification data, changes as a trust anchor for a subscriber unit. Such a subordinate authority and superior authority operation does not appear to be described in the embodied reference, or the other cited references. Accordingly, Applicants respectfully submit that claims 15-21 are in condition for allowance.

Applicants also respectfully submit that dependent claims 16-21 also add additional novel and non-obvious subject matter. Accordingly, these claims are also allowable for these reasons.

Claim 1 has been amended to include claim 2, as such claims 1-8 are also in condition for allowance.

Accordingly, Applicants respectfully submit that the claims are in condition for allowance and that a timely Notice of Allowance be issued in this case. The Examiner is invited to contact the below-listed attorney if the Examiner believes that a telephone conference will advance the prosecution of this application.

Respectfully submitted,

Registration No. 34,414

Date: Opeil 6, 2004

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